



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

June 19, 2009

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", written over a horizontal line.

Subject: **INTERIM RESPONSE TO SUPERVISOR KNABE'S MOTION REGARDING  
THE GENERAL RELIEF (GR) PROGRAM: SYN 6 - APRIL 21, 2009**

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

On April 21, 2009, on a motion by Supervisor Knabe, your Board instructed the Chief Executive Office (CEO), in collaboration with the Department of Public Social Services (DPSS) and consultation with County Counsel, to report back on program design for a potential GR program that will better assist participants toward greater self-sufficiency. The expectation is that these individuals would be able to transition off of County assistance, including more targeted efforts to increase the number of participants who receive early Social Supplemental Income (SSI) approvals and opportunities to prepare for employment, using housing subsidies and case management as a possible alternative to cash payments.

This response to your motion is consistent with the effort to implement five initial strategies to reform the GR program, which will be considered by your Board during Fiscal Year (FY) 2009-10 Budget Deliberations on June 22, 2009. We intend to develop an action plan to restructure the GR Program to better address the increasing need to reduce homelessness, increase employment, and transition GR participants to State/federal assistance programs. In addition, this plan will produce a minimum of \$21.5 million of hard savings in DPSS. This report also demonstrates that the plan has even greater potential of generating savings for the Departments of Health Services, Mental Health, and the Sheriff's Department.

*"To Enrich Lives Through Effective And Caring Service"*

***Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only***

This interim response also addresses the actions that we have taken since the adoption of the motion and shares with you the County's preliminary research and approach to developing a plan to reform the GR program to one that focuses on reducing homelessness, employment preparation and SSI advocacy. Currently, there are over 80,000 participants receiving GR assistance, of whom approximately 49,000 are considered either temporarily or permanently unemployable, constituting about 61 percent of the caseload. We estimate that as many as 60 percent of participants receiving GR are homeless.

In response to this motion, DPSS has taken the following actions:

1. Consulted with County Counsel regarding the County's legal flexibility in restructuring the GR Program to provide housing vouchers in lieu of a cash grant or in addition to a lower cash grant;
2. Obtained detailed documents regarding San Francisco's "Care Not Cash" program for review and analysis to determine its applicability to Los Angeles County;
3. Reviewed State reports to determine the amount of benefits provided by other California Counties. The results of the review will assist the County in determining the feasibility of incorporating modifications to Los Angeles County's GR Program.

The next steps that will be taken in response to this motion are as follows:

1. Review the current GR program as a whole to determine ways to enhance the program to focus more on outcomes;
2. Work with the State to determine if a portion, or all of a housing subsidy payment for employable GR participants, can be claimed for 50 percent federal reimbursement through the Food Stamps Employment and Training (FSET) program; and
3. Incorporate the findings and recommendations in the Adult Linkages Project (ALP) report and the GR Housing Subsidy and Case Management Pilot Evaluation;

The ALP report will provide insight on other County services that are frequently used by GR participants and the cost of those services. Key findings from the ALP report include:

- Nearly one-third of the ALP study population had a disability. Persons with a disability had a rate of service utilization that was more than 50 percent above the average for GR participants, and they incurred a 20-month average of \$20,000 in service costs, which is 60 percent higher than the average for GR recipients;

- When 1,000 disabled GR recipients are approved for SSI benefits through the GR SSI and Medi-Cal Advocacy Program (SSIMAP), the projected annual service cost savings to the County after one year is more than \$12 million and reaches \$17 million after two years; and
- Individuals who are frequently incarcerated are among the most costly GR recipients. GR recipients who were part of the ALP study incurred over \$50 million in total jail costs over the observation period. This figure is only for the GR recipients who were part of the ALP study; total jail costs for all GR recipients are much higher.

The GR Housing Subsidy evaluation will address the impact of housing subsidies on housing retention, transition to SSI, and employment.

4. Constitute an inter-departmental workgroup consisting of DPSS, CEO, County Counsel, and other County Departments' staff to outline an approach to restructuring the GR program; and
5. Meet with community stakeholders to discuss the initial recommendations developed by the inter-departmental workgroup and to solicit additional recommendations.

By November 2009, we will provide your Board with the final response, which will include the results of our research and recommendations for program modifications.

WTFSRH:MS  
JB:cvb

c: Miguel Santana, Deputy Chief Executive Officer  
Acting County Counsel  
Executive Officer, Board of Supervisors  
Sheriff Leroy D. Baca  
Director, Public Social Services  
Interim Director, Health Services  
Director, Community and Senior Services  
Director, Mental Health  
Director, Children and Family Services